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ROCKWALL ECONOMIC DEVELOPMENT CORPORATION STRATEGIC PLAN

2023–2027



ROCKWALL
Economic Development Corporation



ACKNOWLEDGMENTS

TIP Strategies, Inc., (TIP), would like to thank the following participants who contributed to the planning process.

PROJECT STEERING COMMITTEE

Alison Belliveau

Dr. Gene Burton College & Career Academy Principal / Rockwall ISD Career and Technical Education Executive Director

Joey Boyd

Rockwall Assistant City Manager

Gary Bunch

Former REDC Board Member / Retired US Army Major General

Darby Burkey

Rockwall Area Chamber of Commerce President and CEO

Eric Burress

2022 REDC Vice Chair

Dale Cherry

Former REDC Board Member / Retired Black & Veatch Water Engineer

Kevin Fowler

Rockwall Mayor / Former REDC Board Member / Independent Financial in Rockwall Senior Vice President

John Hohenshelt

Rockwall City Council / REDC Liaison / Former REDC Board Member / Taiga Coolers Owner

Eva Hummel

2022 Rockwall Area Chamber of Commerce Chair / Atmos Energy Corporation Manager of Public Affairs

Trace Johannesen

Rockwall City Council / REDC Liaison / Business Consultant

Rick Johnson

2022 REDC Secretary

Matt Neyland

2022 REDC Chair

Larry Parks

Former REDC Board Member / American National Bank of Texas Board Director

Cliff Sevier

Rockwall County Commissioner

Mary Smith

Rockwall City Manager

Cindy Tayem

Former REDC Board Member / Oncor Electric Area Manager

Phil Wagner

REDC President

Matt Wavering

REDC Vice President

CONSULTING TEAM



TIP Strategies, Inc., is a privately held Austin-based firm providing consulting and advisory services to public and private sector clients. Established in 1995, the firm's core competencies are strategic planning for economic development, talent strategies, organizational development, resiliency planning, and equity initiatives.

Contact

TIP Strategies
13492 N Hwy 183, Suite 120-254, Austin, TX 78750
PH: +1 512 3439113
www.tipstrategies.com

Project Contributors

Tom Stelman, CEO/Founder
Alexis Angelo, Consultant

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INTRODUCTION

The City of Rockwall, Texas, (the City), is an economic development leader on the eastern side of the Dallas-Fort Worth (DFW) Metroplex. The City's commitment to maintaining a high quality of life, the establishment and growth of the Rockwall Technology Park, a competitive incentives package, and the Rockwall Economic Development Corporation's (REDC) sustained and professional approach have all contributed to a number of successful business expansions and relocations in Rockwall. And the resulting strong commercial and industrial tax base has allowed the City to provide quality services while at the same time maintaining a low property tax rate for its residents.

While growth along the I-30 corridor will likely continue for the foreseeable future, the rate of growth in Rockwall will likely slow as the City approaches buildout over the next 10 to 20 years. As a result, Rockwall's economic development efforts will require a more calculated and strategic approach if the City is to maintain its quality of life, attractive business climate, and balanced tax base.

Recognizing this challenge, the REDC initiated an update to its five-year strategic plan. This was led by a collaboration of partners including TIP Strategies, Inc., (TIP); the REDC; and a steering committee composed of 18 community stakeholders representing both the public and private sectors. The project launched in spring 2022 and included a robust analysis of economic, demographic, and industry data, as well as extensive stakeholder input. Stakeholders were engaged through one-on-one interviews and roundtable discussions focused on specific target audiences. This plan utilizes key elements from the 2017 plan that are still important to Rockwall's success, while also considering recent data, both quantitative and qualitative. This five-year plan is intended to supply Rockwall with the tools and strategies needed to ensure ongoing economic success.

STRATEGIC CONSIDERATIONS

Insights gained from the data analysis and stakeholder engagement, along with a review of Rockwall's strengths, weaknesses, opportunities, and threats (SWOT) analysis, were distilled into the following strategic considerations. These considerations informed the plan framework and are reflected in the three goals that comprise the strategic plan.

- ***Rockwall's position within the DFW market is its greatest economic development asset.***

The region has consistently ranked among the top metropolitan areas in the US for gross regional product, population, and job growth. The DFW Metroplex's business-friendly environment; available and skilled workforce; and the extensive transportation networks offering access to regional, national, and international markets are all key factors that make DFW an attractive location for new and expanding industrial and office locations. Rockwall benefits greatly from its position as a suburban community within this market, and specifically from its location along I-30, one of the region's fastest-growing corridors.

- ***Global supply chain disruptions create a window of opportunity for reshoring of domestic operations.***

As US-based companies continue to adjust to the supply chain impacts of the COVID-19 pandemic, demand for industrial space has increased rapidly. Companies are bringing back operations from overseas, while at the same time moving to more vertically integrated operations and increasing their local and regional sourcing of critical supplies. This trend is expected to continue and fuel industrial growth in the DFW region.

- ***International industrial investment in the US is also growing.***

According to the US Bureau of Economic Analysis, foreign direct investment in the US increased to \$4.98 trillion at the end of 2021, up from \$4.47 trillion at the end of 2020, mainly reflecting a significant increase in investment from European companies. This trend is driven by the desire of foreign-owned companies to be closer to current and potential customers and to reduce the impact of supply chain disruptions. The DFW Metroplex is an ideal region for such relocations, and Rockwall, which is already home to several international companies, should expand its efforts to target these markets.

- ***Industry 4.0 is driving site and facility demand considerations.***

The Fourth Industrial Revolution is rapidly reshaping the global manufacturing sector. Commonly referred to as Industry 4.0, this transition recognizes the increasing role of digital technologies, including interconnectivity, automation, machine learning, and real-time data, in the production process. With a strong manufacturing foundation, Rockwall is well positioned to attract advanced manufacturing employers in the future. But Rockwall must be prepared to offer more competitive sites, both in terms of the physical infrastructure required by the business and the amenities expected by skilled workers, to support this next phase of manufacturing technologies.

- ***Economic development is highly competitive within the DFW region.***

Many DFW communities have adopted the Type A and/or Type B sales tax, generating millions of dollars each year to support economic development. In 2021, the City of Rockwall generated just over \$8.1 million in revenue through its Type A sales tax. That same year, Frisco generated \$67.5 million, McKinney generated \$36.9 million, and Allen generated \$27.8 million through their respective Type A and B sales taxes.¹ These Texas peer communities offer available sites and incentives, which are highly competitive. As the DFW region continues to grow, there will be additional suburban and exurban cities choosing to become active in economic development, translating to an even greater number of sites and even more aggressive incentives packages. If Rockwall is to remain competitive, it must continue to offer shovel-ready sites, attractive incentives, and a favorable business climate.

- ***The Rockwall Technology Park is reaching buildout.***

The REDC recently announced an expansion of the existing park, but based on current and anticipated demand, this new phase of development could be filled within the next three to five years. If Rockwall is to remain competitive for new industrial expansions, additional sites need to be identified now for future business development. And planning for this expansion should be driven by an overall analysis of future land use and its impact on the balance of commercial and residential tax revenues.

- ***Availability of a skilled workforce is a top factor for business success.***

According to *Area Development* magazine's 36th Annual Corporate Survey,² labor costs and the availability of skilled labor rank first and second as top factors in site selection decisions, an indication that communities that can meet current employer workforce needs and that can build a pipeline of talent have a competitive advantage. Rockwall is fortunate that it can draw from a large labor pool (over two million workers within a

¹ [Economic Development Corporations dashboard](#). Texas Comptroller of Public Accounts.

² Geraldine Gambale. "36th Annual Corporate Survey: Executives Focus on Labor, Energy, Shipping Costs." *Area Development*. Q1 2022. <https://www.areadevelopment.com/Corporate-Consultants-Survey-Results/q1-2022/36th-annual-corporate-survey.shtml>

30-mile radius),³ but its future success depends on a more active collaboration with existing employers and training providers to meet current and future workforce needs.

- ***Demand trends for office space have shifted during the COVID-19 pandemic.***

As companies have begun to transition their teams back to physical offices, many are adjusting to new work arrangements, such as flexible work schedules, coworking spaces, and locating office space closer to where team members live. One significant trend has been the increased demand for office space in DFW Metroplex suburbs. According to a CoStar report released in August 2022, suburbs in the Metroplex are propping up the office demand in the region. DFW has seen positive values in the millions of square feet of net absorption in the suburban markets over the past five years, opposed to the central business district and urban markets, which saw negative net absorptions in 2020, 2021, and low values in 2022. The report finds that since 2020, DFW suburbs have outpaced urban areas in terms of office demand.⁴ This finding creates an opportunity for Rockwall to support new office development to meet this demand as well as offer more job opportunities for Rockwall residents.

STRATEGIC PLAN SUMMARY

With these considerations in mind, TIP proposed a three-pronged approach to the strategic plan: taking concerted action to maintain and enhance Rockwall's competitive position; supporting efforts to build the pipeline of skilled talent that current and future employers need; and ensuring the availability of quality, shovel-ready sites to accommodate business expansions and new investment.

These goals and the associated strategies and actions build on Rockwall's vision and mission statement.

VISION

Rockwall is the premier destination for high-quality business, talent, and investment in the DFW region.

MISSION STATEMENT

To retain, grow, and attract new business investment to ensure a sustainable and diversified tax base for Rockwall.

PLAN FRAMEWORK

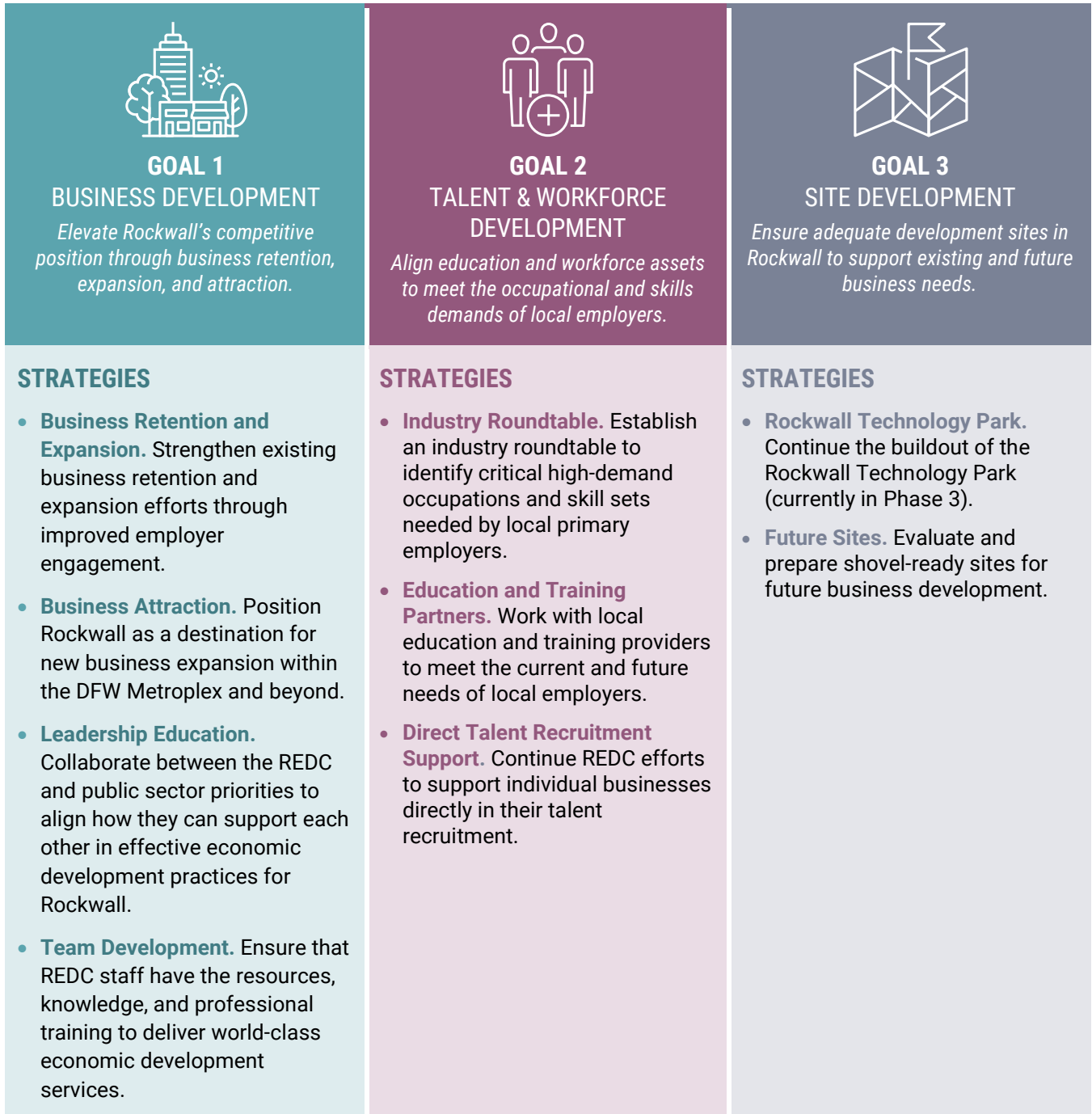
The REDC's five-year strategic vision is actualized through the three goals designed to leverage existing strengths, prepare for future buildout, and build on the collaboration utilized during the planning process. The graphic on the following page provides a high-level overview of the structure of the plan.

³ TIP Strategies, Inc., analysis of Lightcast resident worker data compiled as part of the targeting analysis described in the Appendix.

⁴ Paul Hendershot. "Suburbs Prop Dallas-Fort Worth Office Demand." *CoStar Insight*. August 2, 2022.

<https://www.costar.com/article/822741208/suburbs-prop-dallas-fort-worth-office-demand>

FIGURE 1. REDC PLAN OVERVIEW: GOALS AND STRATEGIES



ACTION PLAN

GOAL 1. BUSINESS DEVELOPMENT

Elevate Rockwall's competitive position through business retention, expansion, and attraction.

The REDC has a proven track record of successful business retention, expansion, and attraction, resulting in a robust base employment and tax base. And the organization and its team maintain a strong reputation in the region among both the business and real estate communities. When interviewed, site selectors across the DFW Metroplex commented on Rockwall's commitment to selecting commercial and industrial projects and partners that are the best fit for the community.

But in an increasingly competitive environment, future success will depend on a more focused effort. Specifically, the REDC needs to expand its **business retention and expansion** (BRE) efforts in support of existing employers, **attract new businesses** by tracking and marketing directly to companies in target industries (defense contracting, food processing, manufacturing, and professional services), and raise awareness among key project influencers (such as site consultants, brokers, and regional economic development partners). The sustainability of these efforts is also dependent on the REDC to keep area leaders engaged and aligned with their efforts through **leadership education** and to support the professional development of its board and team with internal **team development**.

STRATEGIES AND ACTIONS

1.1. Business Retention and Expansion. Strengthen existing business retention and expansion efforts through improved employer engagement.

1.1.1. Establish a tri-annual Rockwall industry roundtable for peer-to-peer discussion and learning. This industry roundtable will serve as an ad hoc committee to the REDC board.

- Focus these meetings on information sharing and solutions to challenges, such as workforce, infrastructure, and business climate.
- Incorporate periodic guest speakers to engage industry partners on specific subject matters, such as solar energy in the technology park, available grants, neighborhood watch, and Texas Workforce Commission opportunities.

1.1.2. Conduct periodic check-ins with individual businesses to better understand their needs, identify obstacles in the business environment, and share local business success stories.

- Keep employers up to date on current REDC services.
- Collect answers to a standard set of questions about the employer's challenges and identify ways the REDC/City can help address those challenges.
- Identify employers who are expanding their operations in the area or are considering a relocation outside the community.
- Uncover supplier recruitment opportunities that would benefit existing employers.
- Capture testimonials from employers about why they chose Rockwall as their business location.

1.1.3. Establish a database of existing businesses in Rockwall using customer relationship management (CRM) software, contingent on the success of the industry roundtable and their level of interest.

- Use this tool to track activity and outcomes from the industry roundtable and individual employer meetings and to provide annual reports to the REDC board.

1.1.4. Celebrate local industry and economic development.

- Create local media content promoting business success stories.
- Continue to host industry appreciation events such as the annual Rockwall employee appreciation event and the REDC awards program.
- Utilize existing community events as opportunities to enhance connections with existing businesses. Examples include the CaddyShack Golf Tournament, the Iron Shot Chamber Classic Clay Shoot, and the Rockwall Independent School District (ISD) Education Foundation Bowling Classic.

1.2. Business Attraction. Position Rockwall as a destination for new business expansion within the DFW Metroplex and beyond.

1.2.1. Promote Rockwall's value proposition for business attraction and retention through marketing and network building.

- Strengthen Rockwall's social media and web presence, such as developing a comprehensive video to showcase the business advantages of relocating to Rockwall. Review existing content to identify opportunities to strengthen, enhance, and refine messaging and update regularly. Include websites, such as Wikipedia and other information-sharing platforms in addition to social media networks like Facebook and Instagram.
- Continue to leverage Rockwall's quality of life, including its well-regarded schools, high educational attainment levels, recreational activities, and other amenities, as selling points for business executives.
- Maintain active relationships and existing event attendance with national site selectors.
- Maintain relationships with local and DFW-area brokers and developers and continue to participate in regional events.
- Host events in Rockwall periodically that showcase specific assets, such as available sites, buildings, or new projects.

1.2.2. Focus business intelligence activities on supporting target industries: defense contractors, food processing, manufacturing, and professional services (see Targeting Overview in Appendix).

- Maintain subscriptions to industry publications and data to monitor trends within the target sectors (e.g., company project announcements, performance of competitor communities, venture capital investments).
- Create profiles for each of the target sectors, including data on area industry concentration, workforce availability and characteristics, and community/regional business advantages.
- Update the REDC website to include target sector profiles (see examples on the following page).
- Maintain and promote the inventory of industrial, commercial, and office sites and buildings in Rockwall, including location, size, ownership, zoning, environment, planning, shovel-readiness, and infrastructure.

1.2.3. Enhance target sector outreach at the domestic and international levels.

- Conduct domestic marketing missions to meet with company executives in regions with high concentrations of firms in the target industries.
- Continue to participate in relevant trade events to build industry intelligence as well as identify potential investment projects in the target sectors, hosting a booth at certain strategic trade events when beneficial.
- Leverage the reopening of the State of Texas Mexico Office (<https://gov.texas.gov/business/page/state-of-texas-mexico-office>) to identify potential investment prospects for Rockwall.
- Participate with the Texas Economic Development Corporation international mission to Europe.



TARGET PROFILE EXAMPLES

Tampa Bay Economic Development Council

<https://tampabayedc.com/target-industries-2/manufacturing/>

<https://tampabayedc.com/wp-content/uploads/2022/05/Manufacturing2022.pdf>

1.2.4. Maintain the REDC's existing business attraction techniques and direct prospect marketing.

- Facilitate and incentivize at least \$40 million in direct commercial investment annually.
- Execute a recruitment strategy, including utilization of prospective vendors, local and regional partnerships, responding to leads and requests for proposals at the regional and state levels, and direct communication with companies as a result of database inquiries.

1.3. Leadership Education. Collaborate between the REDC and the public sector priorities to align how they can support each other in effective economic development practices for Rockwall.

1.3.1. Continue regularly reporting to community stakeholders about the REDC's annual progress.

1.3.2. Host periodic information sessions for local leadership to keep them abreast of current economic development trends and learnings in the field to help align REDC priorities with those of other community leaders.

1.4. Team Development. Ensure that REDC staff have the resources, knowledge, and professional training to deliver world-class economic development services.

1.4.1. Attend professional association conferences and workshops (e.g., Texas Economic Development Council and International Economic Development Council).

1.4.2. Participate in continuing education courses.

1.4.3. Invite leadership from regional organizations (e.g., Dallas Regional Chamber, North Central Texas Council of Governments, and DallasHR) to provide updates and share knowledge with the board and the staff.

1.4.4. Develop connections with area multifamily housing developers to understand vacancy and rental rates when discussing workforce housing.

GOAL 2. TALENT & WORKFORCE DEVELOPMENT

Align education and workforce assets to meet the occupational and skills demands of local employers.

Rockwall has the advantage of being part of the large labor pool available throughout the DFW Metroplex and the beneficiary of many regional workforce training providers. But Rockwall can't exclusively rely on the benefits of its regional location to meet employer workforce needs. Because talent availability is the number one site selection factor for business location decisions, the REDC must play a targeted role in talent development for the local economy. Competitive communities must demonstrate a commitment to building a pipeline of talent.

Input from REDC industry partners indicated that Rockwall has an unstructured approach to workforce development. Developing an **industry roundtable** that serves as a clearinghouse of employer workforce needs will benefit the City and existing and future employers. Demonstrating this commitment to workforce development means collaborating and supporting **education and training partners** at all levels (K-12, higher education, and regional partners) to meet both current and future demand. To support these efforts, the REDC will need to offer **direct talent recruitment support** as a way to connect community members to existing pipelines through local education providers and existing job opportunities with Rockwall businesses.

STRATEGIES AND ACTIONS

2.1. Industry Roundtable. Establish an industry roundtable to identify critical high-demand occupations and skill sets needed by local primary employers (see Strategy 1.1.1.).

- 2.1.1.** Use findings from the latest internal REDC Workforce Survey to lead the initial conversations.
- 2.1.2.** Build consensus among employers about priority training needs and share with area education and training partners.
- 2.1.3.** Use the industry group roundtable to monitor the performance of area institutions and adjust priority training needs accordingly.
- 2.1.4.** Employ the sector partnership model as a guideline for continuing this forum in the future. (See link to Next Generation Sector Partnerships model.)

2.2. Education and Training Partners. Work with local education and training providers to meet the current and future needs of local employers.

- 2.2.1.** Support new programming within Rockwall ISD (e.g., Dr. Gene Burton College & Career Academy) for technical trades.



TALENT INITIATIVE EXAMPLES

Next Generation Sector Partnerships

<https://www.nextgensectorpartnerships.com/toolkit>

US Chamber of Commerce Foundation Talent Pipeline Management

<https://www.uschamberfoundation.org/talent-pipeline-management-case-studies>

- Focus on specific needs identified during the strategic planning process, including mechatronics (e.g., mechanical, electrical, hydraulic), digital certifications, and project management.

2.2.2. Engage with relevant departments of higher education institutions (e.g., University of Texas at Dallas and Collin College) to align programming with industry needs.

- Convene higher education and private sector partners to understand employer needs and training opportunities.
- Support higher education institutions in pursuing curriculum centered around in-demand occupations and priority skills (e.g., new degree, certificate, and industry credential training programs).
- Grow learning opportunities, such as paid internships and apprenticeship programs to raise awareness of career pathways in Rockwall.

2.2.3. Build relationships with regional talent/workforce development efforts (e.g., Dallas Regional Chamber, Workforce Solutions for North Central Texas) to identify opportunities for collaboration.

2.3. Direct Talent Recruitment Support. Continue REDC efforts to support individual businesses directly in their talent recruitment, with continued emphasis on [RockwallJobs.com](https://www.rockwalljobs.com) as the one-stop shop for job opportunities in Rockwall County.

- RockwallJobs.com
- Virtual Rockwall job fair
- Job fair grant program
- Workforce recruitment grant program

GOAL 3. SITE DEVELOPMENT

Ensure adequate development sites in Rockwall to support existing and future business needs.

Driven by supply chain dynamics, domestic and global companies are seeking locations in the US to reduce vulnerability and ensure stability. To meet the short-term demand, the REDC should continue the buildout of the **Rockwall Technology Park**. But, if the community is to remain competitive for new investment in the mid and long term, the REDC must act strategically and collaboratively now to plan for **future sites**, including the possibility for Class A office space, destination retail, and an innovation-focused business park. This two-pronged approach—expanding the existing park and identifying new opportunities—would support the attraction of new and potentially more diverse business opportunities for the City, ultimately contributing to the diversification of the tax base. These ambitious efforts will best be achieved with coordination among the many private and public entities that are part of Rockwall’s economic success.

STRATEGIES AND ACTIONS

- 3.1. Rockwall Technology Park.** Continue the buildout of the Rockwall Technology Park (currently in Phase 3).
- 3.1.1.** Develop roadways, storm sewer, sanitary sewer, water, utilities, street lighting, entry features, and regional storm water detention.
 - 3.1.2.** Initiate the process to bury all overhead powerlines within the park, as requested by the City, including executing a contract with the project manager and agreements with Oncor and other utility providers.
 - 3.1.3.** Continue to sell the existing lots in Phase I and II, as well as portions of the 208 acres included in Phase III of the property to strategically viable businesses, pursuant to REDC incentive guidelines.
- 3.2. Future Sites.** Evaluate and prepare shovel-ready sites for future business development.
- 3.2.1.** Attract Class A office space development for the professional services target industry.
 - 3.2.2.** Support destination retail and high-end mixed-use development.
 - 3.2.3.** Establish a new innovation park (Rockwall Technology Park 2.0) to meet the need for additional industrial, office, and institutional space. The innovation park will target advanced manufacturing, research and development, and institutional partners, such as a higher education



CENTERS OF EXCELLENCE EXAMPLES

Western Research Parks

https://www.westernresearchparks.ca/advanced-manufacturing_park/index.html

Churchill Technology & Business Park

<https://buildingsandsites.com/jedco/Property/Detail/3602/Churchill-Technology-Business-Park>

South Texas College

<https://campuses.southtexascollege.edu/tech-campus.html>

Generation Park

(San Jacinto College and Lone Star College)
<https://www.generationpark.com/>

Port Houston

<https://porthouston.com/maritime-education/>

institution. The purpose of this new park is to continue to diversify the tax base while at the same time providing employment opportunities for higher-paying jobs aligned with the current residents of Rockwall.

- Partner with the City to create a land-use scenario tool to evaluate buildout options and their impact on tax revenues.
- Consider the feasibility of the park, including determining the acreage, usage, location, and needed infrastructure (at least comparable to the existing Rockwall Technology Park).
- Coordinate with the City to identify land and ensure sufficient master planning efforts are completed.
- Create a center of excellence in partnership with a higher education institution or training program to attract advanced manufacturing companies. This effort could leverage the existing presence of Collin College.

APPENDIX

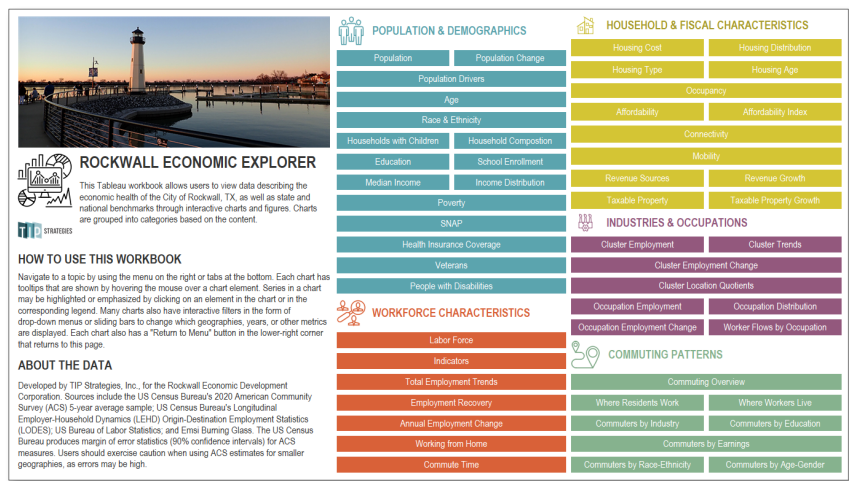
The recommendations made in this strategic plan are grounded in insights gained from TIP’s quantitative and qualitative tasks. In addition, a review of targets informed the business development goal. Key findings and themes that emerged from the TIP team’s review of relevant data and discussions with local and regional experts are presented in this section and culminate in the presentation of an analysis of strengths, weaknesses, opportunities, and threats (SWOT).

ECONOMIC CONTEXT

As part of the strategic planning process, TIP Strategies conducted an analysis of economic, demographic, workforce, and commuting data in Rockwall relative to peer communities in the DFW Metroplex and beyond.

This analysis was completed as part of TIP’s discovery phase, with initial data collection beginning in April 2022. An in-depth analysis, the *Rockwall Economic Explorer*, was delivered to the REDC in June 2022 in an interactive data visualization organized into the following categories.

FIGURE 2. ECONOMIC EXPLORER DATA VISUALIZATION



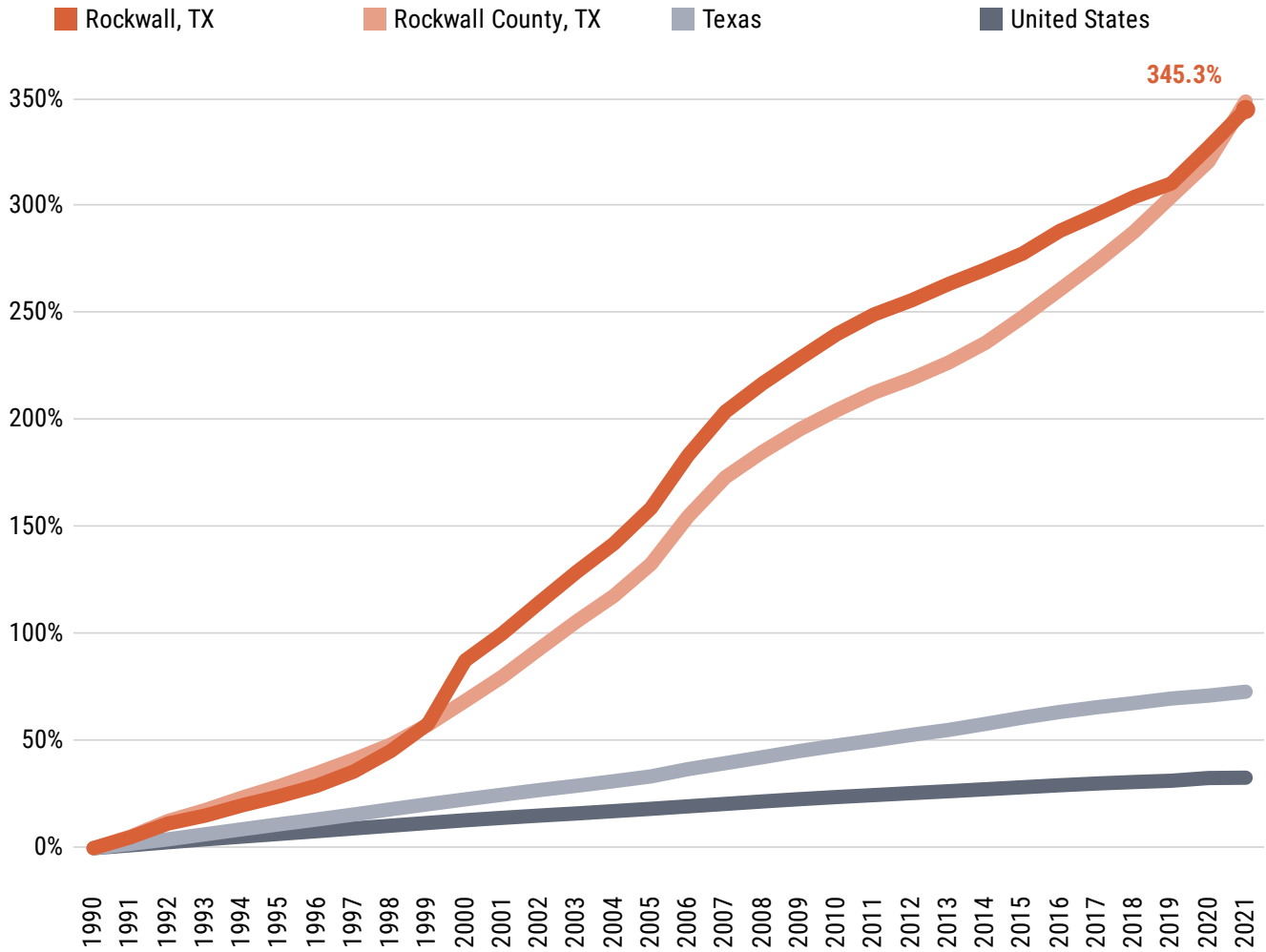
- **Population and Demographics.** Population, population change, population drivers, age, race and ethnicity, households with children, household composition, education, school enrollment, median income, income distribution, poverty, Supplemental Nutrition Assistance Program, health insurance coverage, veterans, people with disabilities.
- **Workforce Characteristics.** Labor force, labor indicators, total employment trends, employment change, annual employment change, working from home, commute time.
- **Housing and Fiscal Characteristics.** Housing cost, housing distribution, housing stock, occupancy, affordability, affordability index, connectivity, mobility, revenue sources, revenue growth, taxable property, taxable property growth.
- **Industries and Occupations.** Cluster employment, cluster trends, net cluster employment, cluster location quotients, occupation employment, occupation distribution, net employment change by occupation, net job surplus by occupational group.
- **Commuting Patterns.** Community overview, where residents work, where workers live, commuters by industry, commuters by education, commuters by earnings, commuters by race and ethnicity, commuters by age and gender.

Findings from this analysis shaped the direction of the strategic plan, highlights of which are summarized here.

Rockwall has experienced significant population growth.

Rockwall has experienced enormous population growth, with an increase over 300 percent from 1990 to 2021. This level of population increase has led to growing pains as the Rockwall community has shifted from being a small exurban community to now an attractive affluent suburban community.

FIGURE 3. POPULATION TREND COMPARISONS, 1990 TO 2021

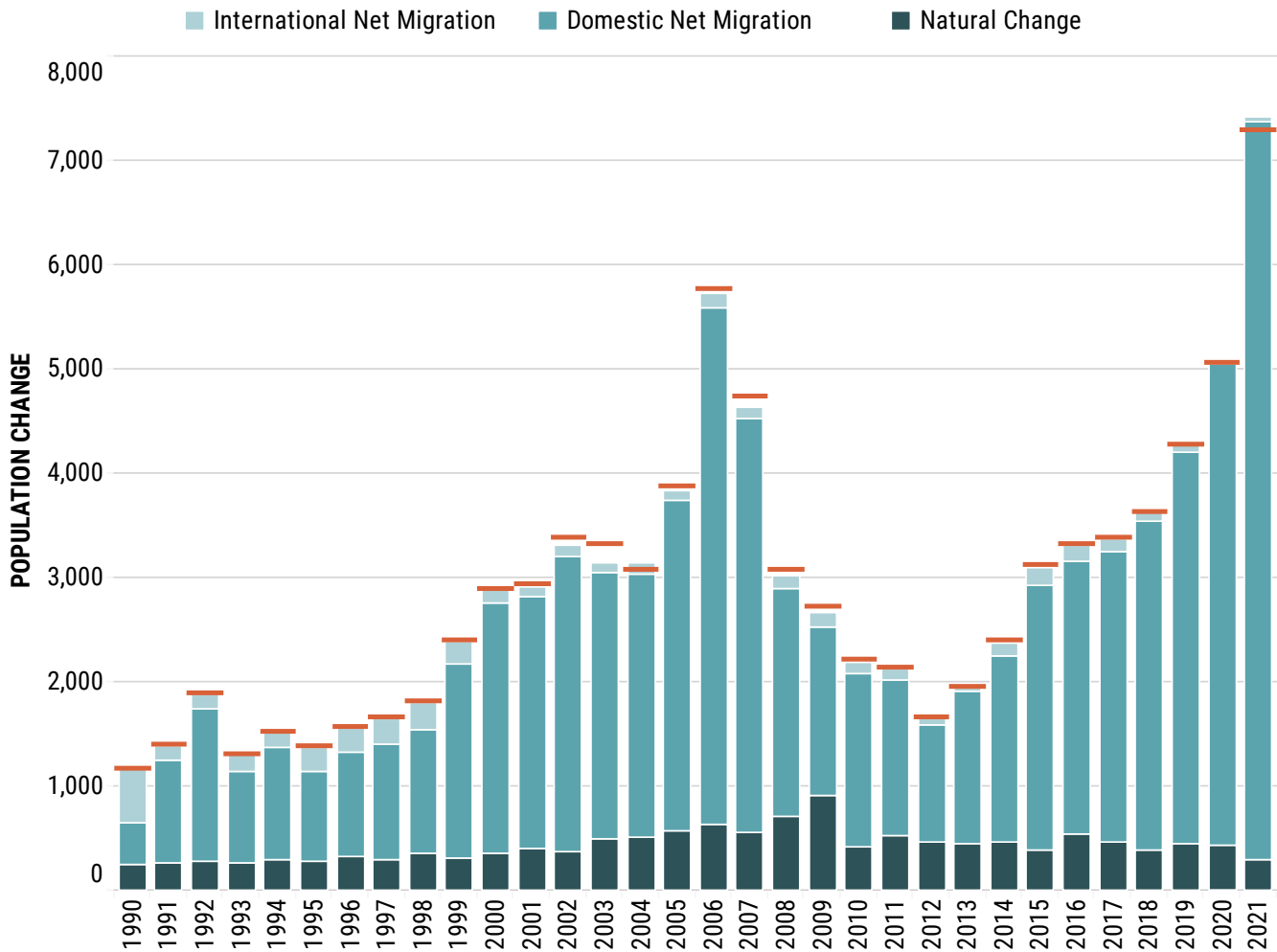


Source(s): US Census Bureau, Population Estimates Program; Moody's Analytics; TIP Strategies, Inc.
 Note(s): Population estimates prior to 2010 are sourced from Moody's Analytics. Estimates from 2010 to 2021 are sourced from the US Census Bureau Population Estimates Program Vintages 2020 and 2021.

Domestic migration into Rockwall County has been the largest driver of population growth.

Population change over the past several years is largely attributed to domestic in-migration to Rockwall County. As the DFW Metroplex has grown over the years, Rockwall has become a more accessible community relative to the rest of the DFW area. This has made the community a more realistic option for residents of the Metroplex seeking a suburban home in a city with a high quality of life.

FIGURE 4. DRIVERS OF POPULATION CHANGE: ROCKWALL COUNTY, TEXAS, 1990 TO 2021



Source(s): US Census Bureau, Population Estimates Program; Moody's Analytics; TIP Strategies, Inc.

Note(s): Natural change is the difference between annual births and deaths. Total population change includes a residual (a change in population that cannot be attributed to any specific demographic component). Total net population change is shown by the red bars.

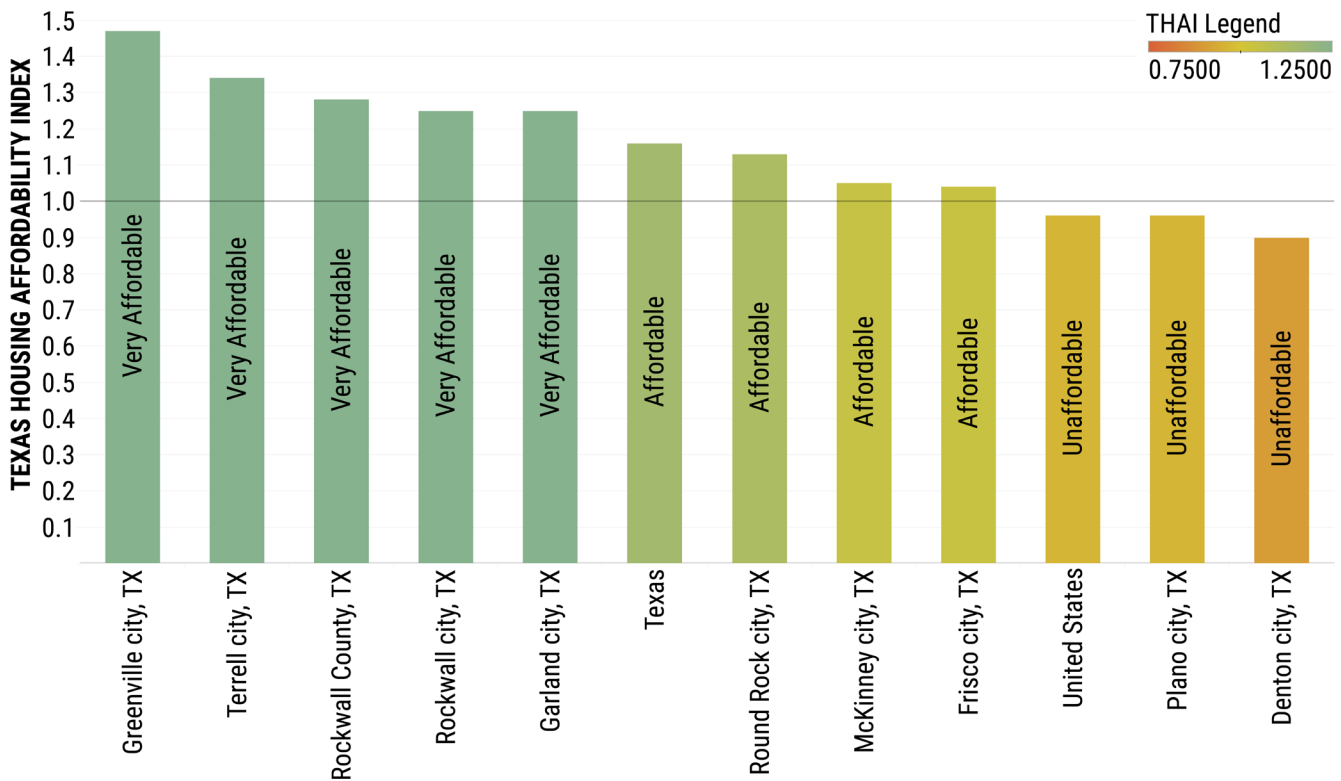
Components of change for 2010 and 2020 are estimated based on a 12-month projection of the second quarter (the period between the US Census and the midyear estimate) that is not seasonally adjusted.

Rockwall is affordable for residents, relative to its median incomes.

The City is largely made up of single-family homes built in the 2000s, similar to peers in the DFW Metroplex. Rockwall is considered affordable for its residents relative to its residents’ incomes. When compared to peer communities in the Metroplex, such as McKinney, Frisco, and Plano, Rockwall is a more affordable option. Rockwall remains attractive to possible residents as it maintains a great sense of place with high-quality amenities and education options, but the community is quickly running out of attainable and developable land.

FIGURE 5. HOUSING AFFORDABILITY, 2020
Texas Housing Affordability Index (THAI)

This index compares household median income to a typical mortgage payment on a median-priced home. A value of 1.0 indicates the median income is exactly enough to purchase a median home. Values less than 1.0 indicate unaffordability, and values greater than 1.0 indicate sufficient affordability.



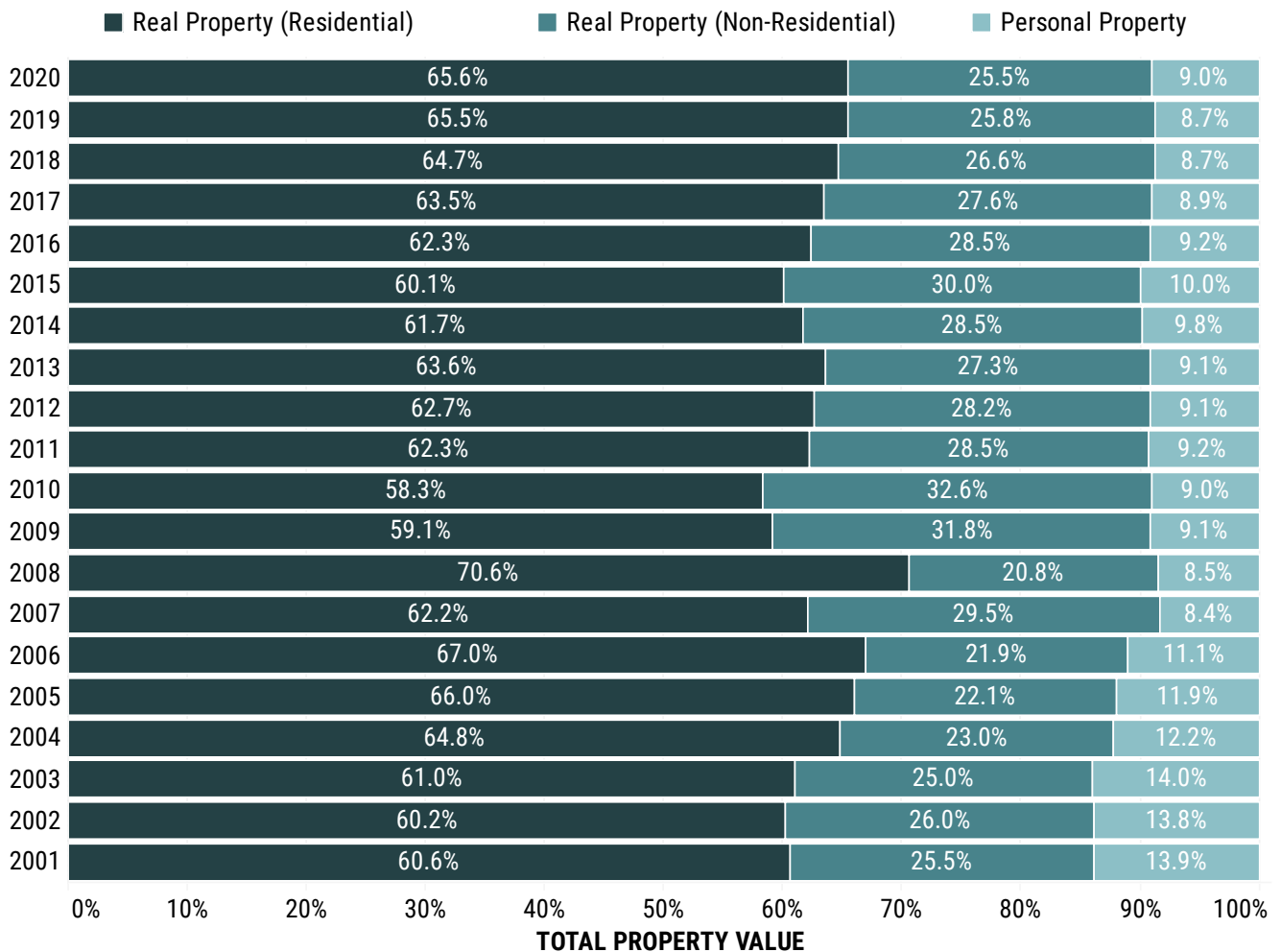
Source(s): American Community Survey, 2020 5-year sample; TIP Strategies, Inc.

Note(s): THAI was adapted from Texas A&M University Texas Real Estate Research Center by TIP Strategies, Inc. Mortgage payments only include the monthly payments on the loan; they do not include insurance or tax payments.

Rockwall has maintained a diverse tax base.

The City prioritizes a diverse tax base, with a ratio of roughly 67 percent residential and 33 percent commercial and industrial taxes. Rockwall is a largely appealing community. As the DFW Metroplex continues to expand, development will inevitably move eastward to and around Rockwall.

FIGURE 6. DISTRIBUTION OF THE ESTIMATED VALUE OF ROCKWALL, TEXAS, TAXABLE PROPERTY
Real and personal property as a share of the total taxable base, 2001–2020



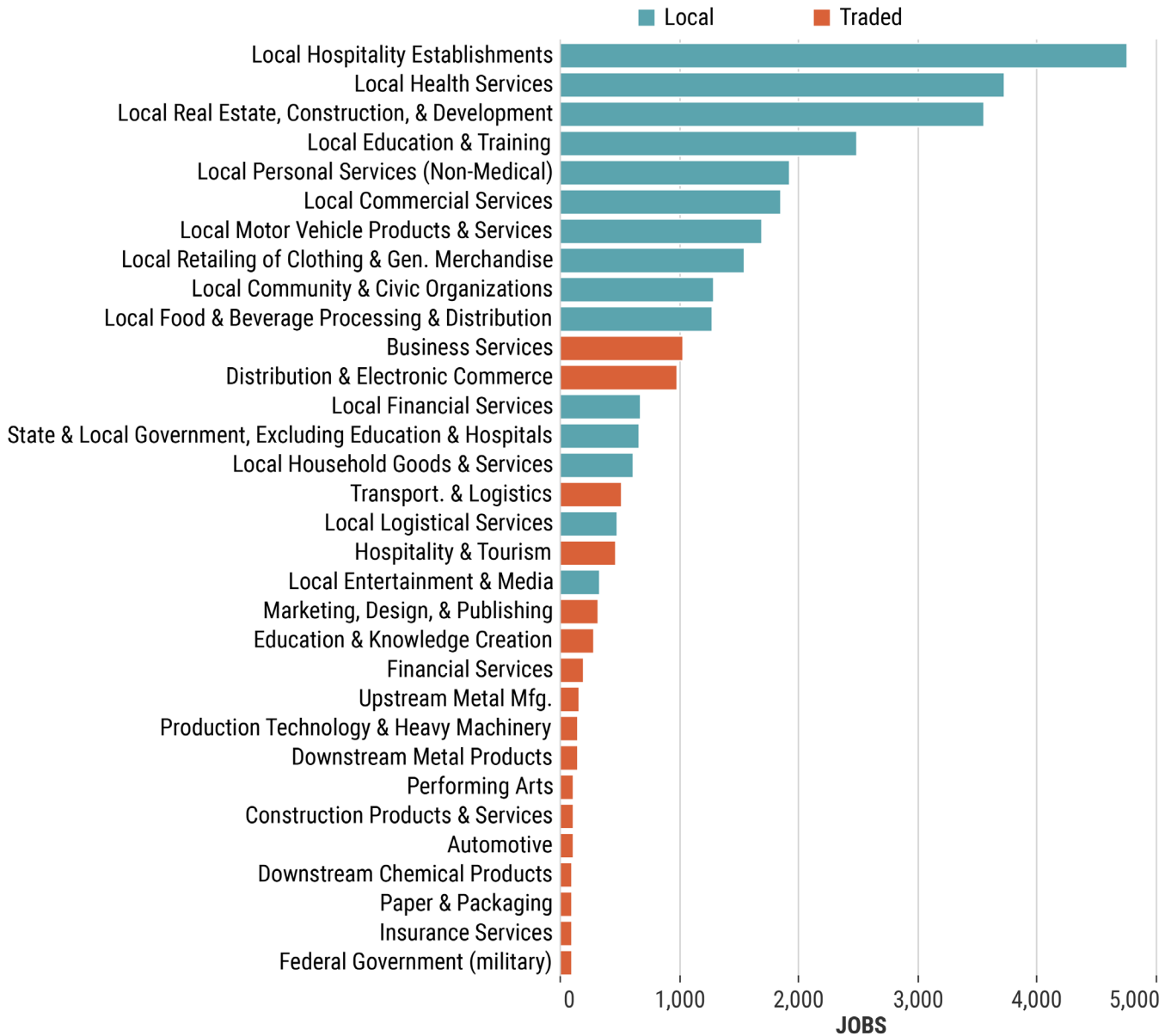
Source(s): City of Rockwall, Comprehensive Annual Financial Report (various years); US Bureau of Labor Statistics (BLS), Consumer Price Index; TIP Strategies, Inc.
Note(s): All values are shown in 2020 dollars.

Employment in Rockwall is concentrated in local trades.

Rockwall’s employment in industry clusters is largely concentrated in local sectors. Industry clusters are classified as traded or local based on if the business in that cluster primarily serves the local market or markets in other regions or nations. Nearly the top three-quarters of Rockwall’s employment is concentrated in local trades, including hospitality, health services, construction, and others.

FIGURE 7. ROCKWALL, TEXAS, EMPLOYMENT IN INDUSTRY CLUSTERS, 2021

Industry clusters are classified as **traded** or **local** based on if the businesses in that cluster primarily serve local markets or markets in other regions or nations.



Source(s): BLS; Emsi Burning Glass (Emsi) 2022.2—Quarterly Census of Employment and Wages (QCEW) Employees, Non-QCEW Employees, and Self-Employed; TIP Strategies, Inc.

Note(s): City jobs are estimated by ZIP Codes approximating the geography of the City. Rockwall is approximated by ZIP Codes 75032 and 75087. Only includes clusters with at least 100 jobs in a year.

Residents largely work outside of Rockwall.

Despite the growth and changes in Rockwall, it is still largely a suburban commuter community. The Rockwall community has a nearly one-to-one commuting pattern. Approximately 19,800 residents work outside of Rockwall, approximately 19,600 nonresidents work in Rockwall, and a mere 3,400 residents both live and work in Rockwall. This commuting pattern shows that the jobs offered in Rockwall are largely not aligned to Rockwall’s residents.

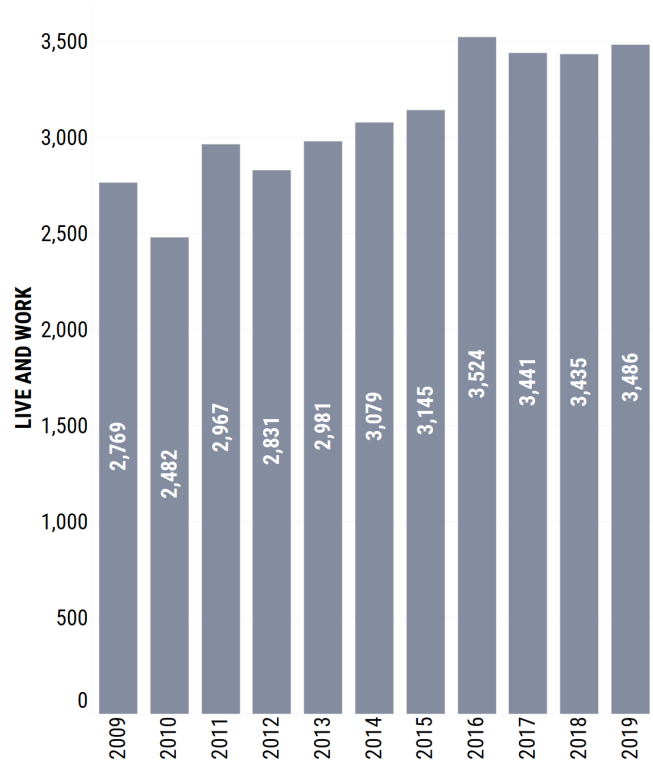
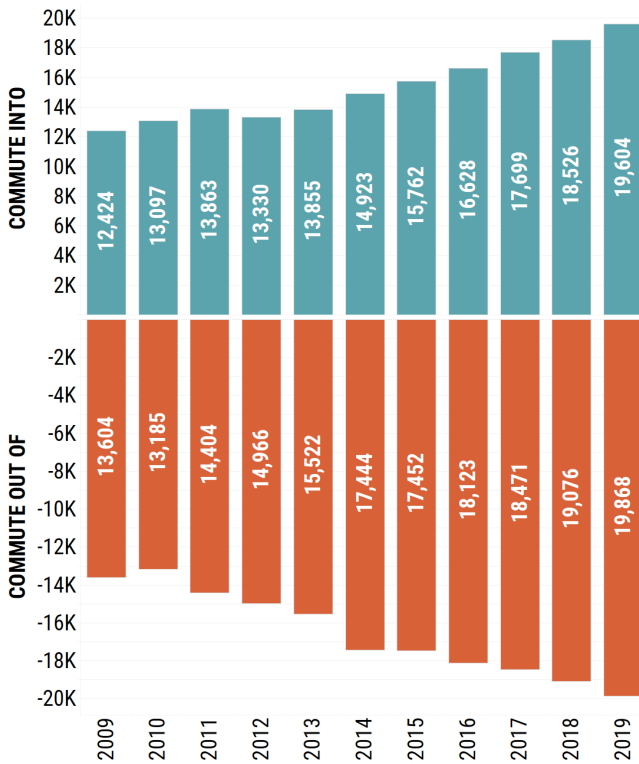
FIGURE 8. COMMUTING TRENDS OVERVIEW, 2009 TO 2019

Commuting Trends into and out of Rockwall, Texas

Commuting into the region means a person lives outside of the region and works inside of the region. **Commuting out** of the region means a person lives inside of the region and works outside of the region.

Live and Work Trends in Rockwall, Texas

These residents have shorter commutes as they both live and work within the region.



Source(s): Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics (LODES); TIP Strategies, Inc.

Residents in higher-earning roles are more likely to work outside of Rockwall.

The City experiences a net loss of commuters with higher-skilled professions, higher education (whether some college, a bachelor’s degree, or higher) as well as a net loss of workers making more than \$3,333 a month. This dynamic leads to further complicated traffic concerns for the community, as Rockwall commuters face the largest average commuting times compared to peers in the DFW Metroplex.

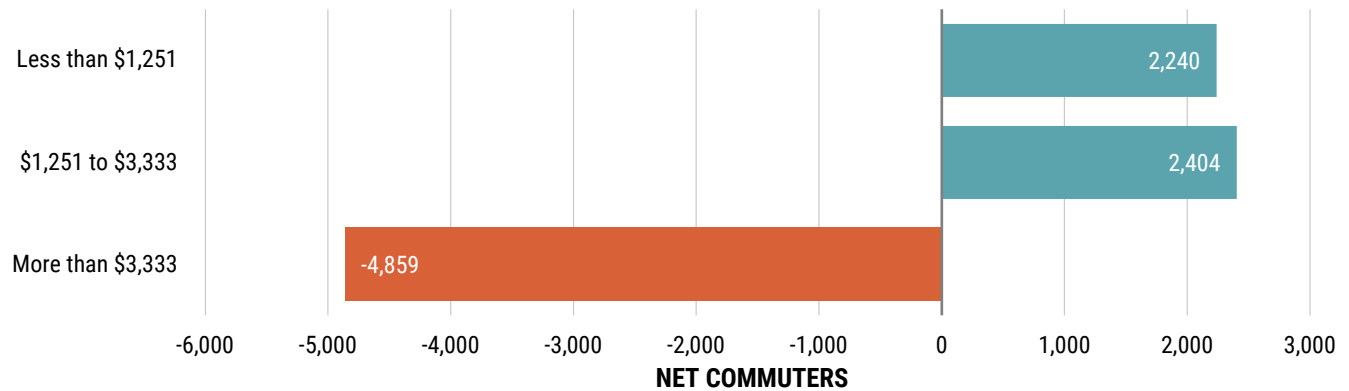
FIGURE 9. NET COMMUTERS TO ROCKWALL, TEXAS, BY EARNINGS, 2019

Net Commuters by Monthly Earnings

Net commuters refers to the difference between workers and employed residents.

A **negative** value indicates a net **outflow** of commuters (workers < employed residents).

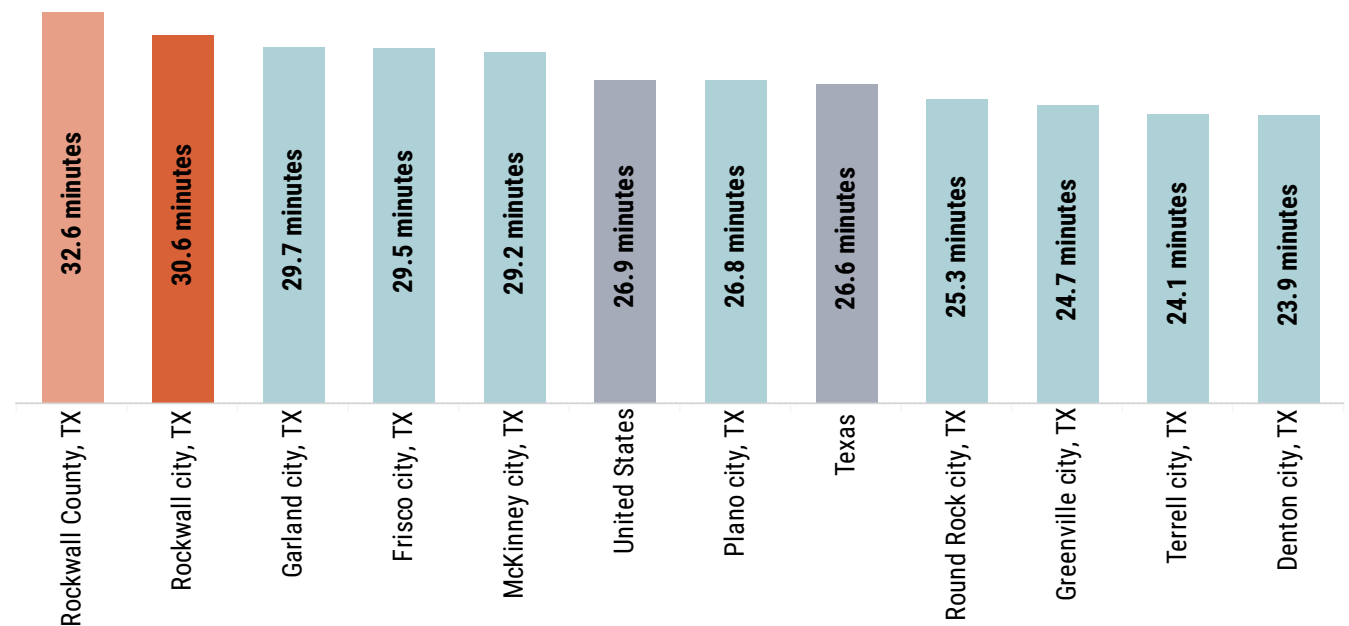
A **positive** value indicates a net **inflow** of commuters (workers > employed residents).



Source(s): LEHD LODES; TIP Strategies, Inc.
 Note(s): Earnings are in nominal dollars.

FIGURE 10. COMMUTE TIME, 2020

Average commuting time in minutes for workers (16 and older)



Source(s): American Community Survey, 2020 5-year sample; TIP Strategies, Inc.

STAKEHOLDER ENGAGEMENT

Throughout the creation of this five-year strategic plan, the Rockwall Economic Development Corporation engaged with several community stakeholders.

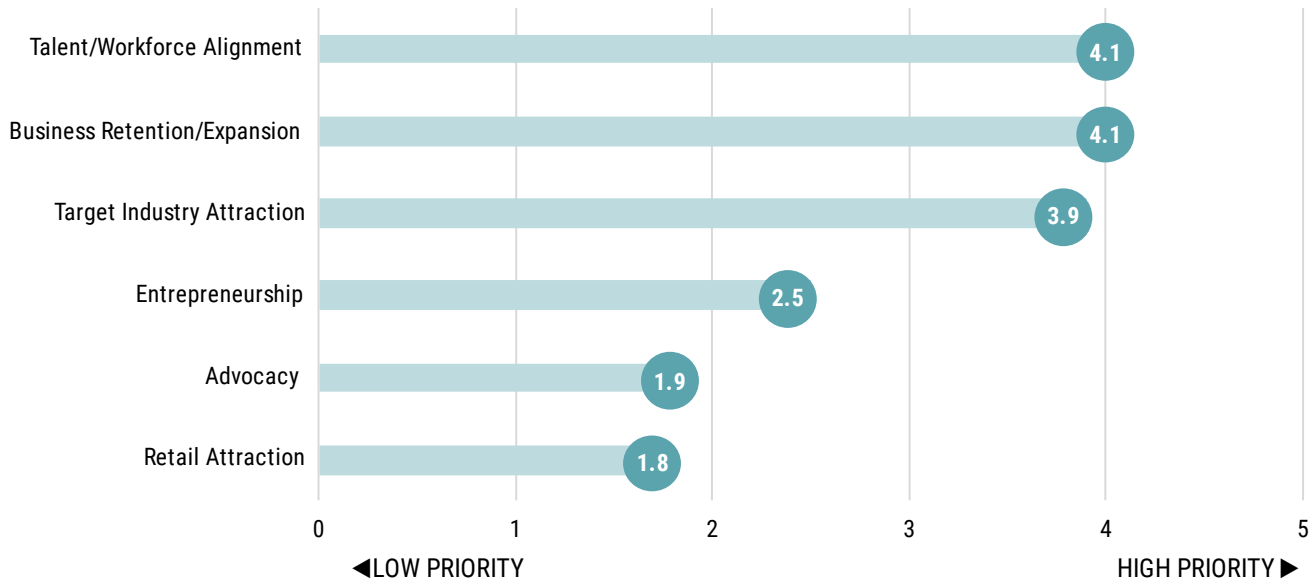
PROJECT STEERING COMMITTEE

The planning process was guided by an 18-member steering committee who informed and provided insights and feedback throughout the iterative process, including through live polling via Mentimeter. (See Figure 12.)

FIGURE 11. PROJECT STEERING COMMITTEE MEMBERS

COMMITTEE MEMBER	ORGANIZATION AND ROLE
Alison Belliveau	Dr. Gene Burton College & Career Academy Principal Rockwall ISD Career and Technical Education Executive Director
Joey Boyd	Rockwall Assistant City Manager
Gary Bunch	Former REDC Board Member / Retired US Army Major General
Darby Burkey	Rockwall Area Chamber of Commerce President and CEO
Eric Burress	2022 REDC Vice Chair
Dale Cherry	Former REDC Board Member / Retired Black & Veatch Water Engineer
Kevin Fowler	Rockwall Mayor / Former REDC Board Member / Independent Financial in Rockwall Senior Vice President
John Hohenshelt	Rockwall City Council / REDC Liaison / Former REDC Board Member / Taiga Coolers Owner
Eva Hummel	2022 Rockwall Area Chamber of Commerce Chair / Atmos Energy Corporation Manager of Public Affairs
Trace Johannesen	Rockwall City Council / REDC Liaison / Business Consultant
Rick Johnson	2022 REDC Secretary
Matt Neyland	2022 REDC Chair
Larry Parks	Former REDC Board Member / American National Bank of Texas Board Director
Cliff Sevier	Rockwall County Commissioner
Mary Smith	Rockwall City Manager
Cindy Tayem	Former REDC Board Member / Oncor Electric Area Manager
Phil Wagner	REDC President
Matt Wavering	REDC Vice President

FIGURE 12. STEERING COMMITTEE PRIORITIZATION OF POSSIBLE REDC ROLES



Source(s): TIP Strategies, Inc.

STAKEHOLDER ROUNDTABLES AND INTERVIEWS

The REDC and TIP hosted 60-minute roundtables with key business, institutional, and community leaders in Rockwall as well as one-on-one interviews. Over 40 individuals attended the five roundtables and one-on-one interviews, representing a wide range of nonprofit, private, public, educational, and philanthropic stakeholders.

FIGURE 13. ROUNDTABLE TOPICS AND PARTICIPANTS

TOPIC	PARTICIPANTS
Commercial Real Estate and Site Selection	<ul style="list-style-type: none"> Lee & Associates esrp (now Cresa) Dallas Regional Chamber Stream Realty Partners JLL Colliers
Community Groups	<ul style="list-style-type: none"> City of Rockwall—Main Street Rockwall Area Chamber of Commerce Rockwall Golf & Athletic Club Zanata (Restaurant) Texas Health Presbyterian Hospital TekMak Development Siren Rock Brewing Company
Education and Workforce Development	<ul style="list-style-type: none"> Texas Tech University at Collin Higher Education Center Dr. Gene Burton College & Career Academy Rockwall ISD Education Foundation Collin College
Government and Utilities	<ul style="list-style-type: none"> Rockwall Police Department City of Rockwall (City Manager, Public Works, and Planning & Zoning) Atmos Energy Farmers Electric Oncor Electric
Manufacturers	<ul style="list-style-type: none"> SPR Packaging Pegasus Foods Special Products & Mfg., Inc. Pratt Industries

FIGURE 14. ONE-ON-ONE INTERVIEWS

STAKEHOLDER GROUP	INDIVIDUALS REPRESENTING
City Council	<ul style="list-style-type: none"> • Anna Campbell • Bennie Daniels • Clarence Jorif • Dana Macalik
REDC Board	<ul style="list-style-type: none"> • Carin Brock • Justin Lee • Kayne Pierce • Darren Shue
Real Estate	<ul style="list-style-type: none"> • Bill Bricker (Columbia Development Company) • David English (Ridge Pointe Commercial Real Estate)

TARGETING OVERVIEW

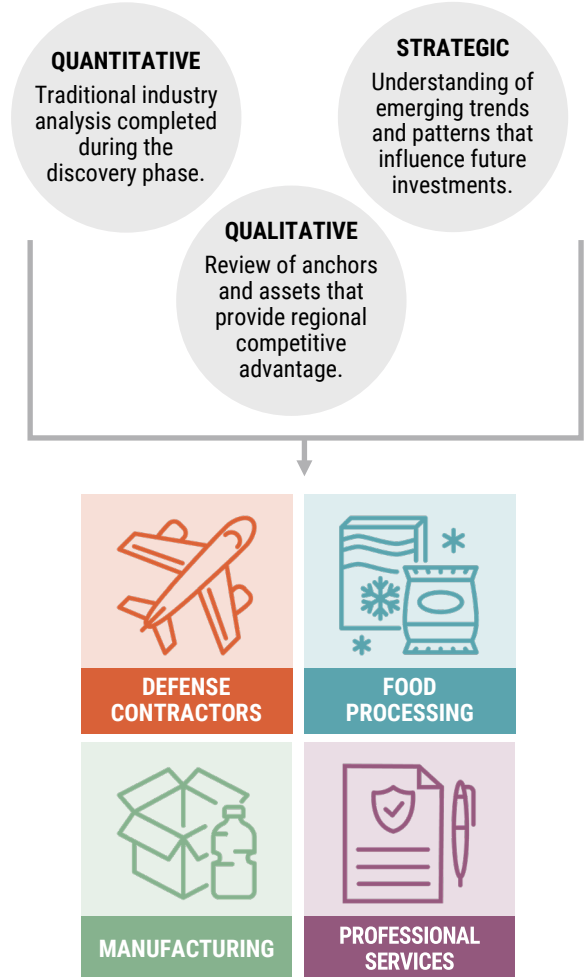
Rockwall’s target industries were determined through a review of anchors and assets in the community that provide it with a regional competitive advantage and a review of real-time labor needs. Through this process four targets were identified.

- Defense contractors
- Food processing
- Manufacturing
- Professional services

This section presents a brief profile for each target that includes a rationale for why that industry is a fit for the Rockwall economy and potential subsectors for the REDC to consider when attracting future businesses to the area. Additionally, each profile includes a figure showing employment trends in the Rockwall laborshed, defined as the 30-mile radius around Rockwall, for the top 15 in-demand occupations identified during the analysis.

An analysis of job postings was conducted to determine real-time specialized skill sets unique to each target. Each target was designed by selecting a group of employers specializing in related industries, accessing their US job postings for the 12-month period from April 2021 through March 2022, and identifying the top 15 occupations in their collective hiring processes. The top 15 occupations represent a significant number of all job postings among the selected employers. Ultimately, this employer-focused approach allows Rockwall to analyze its local workforce capacity and readiness for each of the four target industries.

FIGURE 15. TARGETING FRAMEWORK



DEFENSE CONTRACTORS

RATIONALE	POTENTIAL SUBSECTORS
The greater DFW region is home to a number of defense contractors, with a strong concentration in aerospace manufacturing and related technologies. The presence of L3Harris, in Rockwall and Greenville, creates specific opportunities to expand the reach and impact of employers in this sector.	<ul style="list-style-type: none"> Avionics Unmanned aircraft systems Engines and propulsion units Missile guidance systems Cybersecurity

FIGURE 16. LOCAL EMPLOYMENT IN TOP OCCUPATIONS RELATED TO DEFENSE CONTRACTORS

Sorted by the occupation's share of national job postings in the target in 2021

Occupation	Share of Postings*	2016	2021	Percent Change	Median Hourly Earnings
Software Developers, Analysts, & Testers	4.9%	30,452	41,808	37.3%	\$54.40
Industrial Engineers	3.9%	3,461	4,860	40.4%	\$47.04
Buyers & Purchasing Agents	3.8%	7,456	8,150	9.3%	\$37.58
Mechanical Engineers	2.6%	3,254	3,936	21.0%	\$46.65
Inspectors, Testers, Sorters, Samplers, & Weighers	2.5%	8,410	9,024	7.3%	\$18.72
Laborers & Material Movers, Hand	2.5%	41,391	50,635	22.3%	\$15.39
Industrial Production Managers	2.3%	1,789	2,280	27.4%	\$56.19
Stockers & Order Fillers	2.1%	29,424	38,810	31.9%	\$14.88
Maintenance & Repair Workers, General	2.0%	21,474	23,336	8.7%	\$20.83
Electrical Engineers	2.0%	3,370	2,202	-34.7%	\$49.88
Computer User Support Specialists	1.8%	15,903	17,481	9.9%	\$23.68
Industrial Engineering Technicians	1.7%	864	1,264	46.3%	\$33.58
Miscellaneous Assemblers & Fabricators	1.7%	14,858	15,771	6.2%	\$14.94
Aerospace Engineers	1.7%	1,474	1,450	-1.6%	\$65.61
Financial Managers	1.6%	8,759	12,689	44.9%	\$73.44
Rockwall Laborshed	Total	2,353,761	2,529,563	7.5%	\$21.27

*Share of national job postings in 2021 among selected employers typical of this sector: Astronics, Avidyne, Universal Avionics, Esterline Technologies, and Safran. The top 15 occupations shown account for 37.2 percent of national job postings for this group of employers.

Source(s): BLS; Emsi 2022.2—QCEW Employees, Non-QCEW Employees, and Self-Employed; TIP Strategies, Inc.

Note(s): Median hourly earnings are in 2021 US dollars. The color of each cell represents how the metric for the selected occupation compares to the Rockwall laborshed total. **Redder** cells indicate values that are less than the laborshed median. **Bluer** cells indicate values that are greater than the laborshed median. The Rockwall laborshed is defined as the 30-mile radius around Rockwall.

FOOD PROCESSING

RATIONALE	POTENTIAL SUBSECTORS
With employers like Bimbo Bakeries and Pegasus Foods, Rockwall has the opportunity to be at the center of increasing consumer demand for specific prepared foods.	<ul style="list-style-type: none"> Frozen foods Snack foods Beverages, coffees, and teas Condiments Spice manufacturing

FIGURE 17. LOCAL EMPLOYMENT IN TOP OCCUPATIONS RELATED TO FOOD PROCESSING
Sorted by the occupation’s share of national job postings in the target in 2021

Occupation	Share of Postings*	2016	2021	Percent Change	Median Hourly Earnings
First-Line Supervisors, Production & Operations	9.5%	7,545	7,764	2.9%	\$31.15
Laborers & Material Movers, Hand	9.0%	41,391	50,635	22.3%	\$15.39
Industrial Truck & Tractor Operators	4.4%	11,075	16,910	52.7%	\$17.12
First-Line Supervisors of Retail Sales Workers	3.6%	19,306	20,917	8.3%	\$20.49
Construction Laborers	2.3%	20,836	20,656	-0.9%	\$16.97
Industrial Production Managers	2.2%	1,789	2,280	27.4%	\$56.19
Janitors & Cleaners, Except Maids & Housekeeping Cleaners	1.9%	34,696	31,059	-10.5%	\$13.62
Maintenance & Repair Workers, General	1.9%	21,474	23,336	8.7%	\$20.83
Heavy & Tractor-Trailer Truck Drivers	1.8%	35,147	39,796	13.2%	\$23.34
Production, Planning, & Expediting Clerks	1.4%	6,672	8,126	21.8%	\$25.10
Logisticians	1.3%	2,700	3,487	29.2%	\$35.57
First-Line Supervisors of Mechanics & Repairers	1.3%	6,823	7,349	7.7%	\$35.94
Sales Reps, Non-Technical and Scientific Products	1.1%	26,992	26,352	-2.4%	\$31.75
Human Resources Specialists	1.1%	10,287	12,846	24.9%	\$32.58
Helpers--Production Workers	1.0%	7,157	4,959	-30.7%	\$13.30
Rockwall Laborshed	Total	2,353,761	2,529,563	7.5%	\$21.27

*Share of national job postings in 2021 among selected employers typical of this sector: National Frozen Foods, Pegasus Foods, Bellisio Foods, Arctic Express, and Rich Products Corporation. The top 15 occupations shown account for 43.6 percent of national job postings for this group of employers.

Source(s): BLS; Emsi 2022.2—QCEW Employees, Non-QCEW Employees, and Self-Employed; TIP Strategies, Inc.

Note(s): Median hourly earnings are in 2021 US dollars. The color of each cell represents how the metric for the selected occupation compares to the Rockwall laborshed total. Redder cells indicate values that are less than the laborshed median. Bluer cells indicate values that are greater than the laborshed median. The Rockwall laborshed is defined as the 30-mile radius around Rockwall.

MANUFACTURING

RATIONALE	POTENTIAL SUBSECTORS
Rockwall’s presence of packaging manufacturers, such as Pratt Industries, SPR Packaging, and Graham Packaging, puts Rockwall at a competitive advantage for attracting similar manufacturing companies in the future.	<ul style="list-style-type: none"> • Packaging • Machinery and equipment • Additive manufacturing • Advanced materials • Robotics • Sensors

FIGURE 18. LOCAL EMPLOYMENT IN TOP OCCUPATIONS RELATED TO MANUFACTURING

Sorted by the occupation’s share of national job postings in the target in 2021

Occupation	Share of Postings*	2016	2021	Percent Change	Median Hourly Earnings
Industrial Engineering Technicians	8.9%	864	1,264	46.3%	\$33.58
Helpers—Production Workers	6.5%	7,157	4,959	-30.7%	\$13.30
First-Line Supervisors, Production & Operations	4.4%	7,545	7,764	2.9%	\$31.15
Industrial Truck & Tractor Operators	3.9%	11,075	16,910	52.7%	\$17.12
Laborers & Material Movers, Hand	3.5%	41,391	50,635	22.3%	\$15.39
Packaging & Filling Machine Operators & Tenders	2.5%	5,021	5,289	5.3%	\$15.13
Maintenance & Repair Workers, General	2.4%	21,474	23,336	8.7%	\$20.83
Sales Reps, Non-Technical and Scientific Products	2.1%	26,992	26,352	-2.4%	\$31.75
Industrial Production Managers	2.0%	1,789	2,280	27.4%	\$56.19
First-Line Supervisors of Mechanics & Repairers	1.9%	6,823	7,349	7.7%	\$35.94
Inspectors, Testers, Sorters, Samplers, & Weighers	1.8%	8,410	9,024	7.3%	\$18.72
Transportation, Storage, & Distribution Managers	1.7%	1,858	2,966	59.6%	\$46.68
Packers & Packagers, Hand	1.5%	11,378	8,063	-29.1%	\$12.79
Financial Managers	1.5%	8,759	12,689	44.9%	\$73.44
Marketing Managers	1.3%	3,080	5,444	76.8%	\$71.83
Rockwall Laborshed	Total	2,353,761	2,529,563	7.5%	\$21.27

*Share of national job postings in 2021 among selected employers typical of this sector: Storopack, Avery Dennison, Ranpak, Pregis, and Graham Packaging. The top 15 occupations shown account for 45.8 percent of national job postings for this group of employers.

Source(s): BLS; Emsi 2022.2—QCEW Employees, Non-QCEW Employees, and Self-Employed; TIP Strategies, Inc.

Note(s): Median hourly earnings are in 2021 US dollars. The color of each cell represents how the metric for the selected occupation compares to the Rockwall laborshed total. **Redder** cells indicate values that are less than the laborshed median. **Bluer** cells indicate values that are greater than the laborshed median. The Rockwall laborshed is defined as the 30-mile radius around Rockwall.

PROFESSIONAL SERVICES

RATIONALE	POTENTIAL SUBSECTORS
Rockwall is well positioned to branch out into attracting professional services firms that are supported through office commercial sites. With the presence of KE Andrews, the community is primed for similar opportunities.	<ul style="list-style-type: none"> • Insurance • Financial services • Information technology and technical support • Architectural, design, and planning • Engineering • Construction management

FIGURE 19. LOCAL EMPLOYMENT IN TOP OCCUPATIONS RELATED TO PROFESSIONAL SERVICES
Sorted by the occupation’s share of national job postings in the target in 2021

Occupation	Share of Postings*	2016	2021	Percent Change	Median Hourly Earnings
Software Developers, Analysts, & Testers	7.1%	30,452	41,808	37.3%	\$54.40
Financial Services Sales Agents	6.2%	10,167	11,061	8.8%	\$32.33
Personal Financial Advisors	5.8%	4,753	5,517	16.1%	\$44.00
Marketing Managers	4.1%	3,080	5,444	76.8%	\$71.83
Management Analysts	4.1%	11,915	16,188	35.9%	\$46.92
Customer Service Representatives	4.0%	60,431	69,833	15.6%	\$18.42
General & Operations Managers	2.6%	35,170	46,844	33.2%	\$52.60
Financial Managers	2.4%	8,759	12,689	44.9%	\$73.44
Sales Reps, Non-Technical and Scientific Products	2.2%	26,992	26,352	-2.4%	\$31.75
Information Security Analysts	2.1%	2,745	4,653	69.5%	\$57.79
Human Resources Specialists	2.0%	10,287	12,846	24.9%	\$32.58
Claims Adjusters, Examiners, & Investigators	1.6%	7,571	9,294	22.8%	\$35.44
Database Administrators & Architects	1.5%	3,159	3,792	20.0%	\$53.14
Market Research Analysts & Marketing Specialists	1.4%	8,349	12,835	53.7%	\$38.74
Accountants & Auditors	1.3%	29,695	29,336	-1.2%	\$39.09
Rockwall Laborshed	Total	2,353,761	2,529,563	7.5%	\$21.27

*Share of national job postings in 2021 among selected employers typical of this sector: Principal Financial Group, MetLife, Prudential Financial, Blue Cross Blue Shield, and Northwestern Mutual. The top 15 occupations shown account for 48.6 percent of national job postings for this group of employers.

Source(s): BLS; Emsi 2022.2–QCEW Employees, Non-QCEW Employees, and Self-Employed; TIP Strategies, Inc.

Note(s): Median hourly earnings are in 2021 US dollars. The color of each cell represents how the metric for the selected occupation compares to the Rockwall laborshed total. **Redder** cells indicate values that are less than the laborshed median. **Bluer** cells indicate values that are greater than the laborshed median. The Rockwall laborshed is defined as the 30-mile radius around Rockwall.

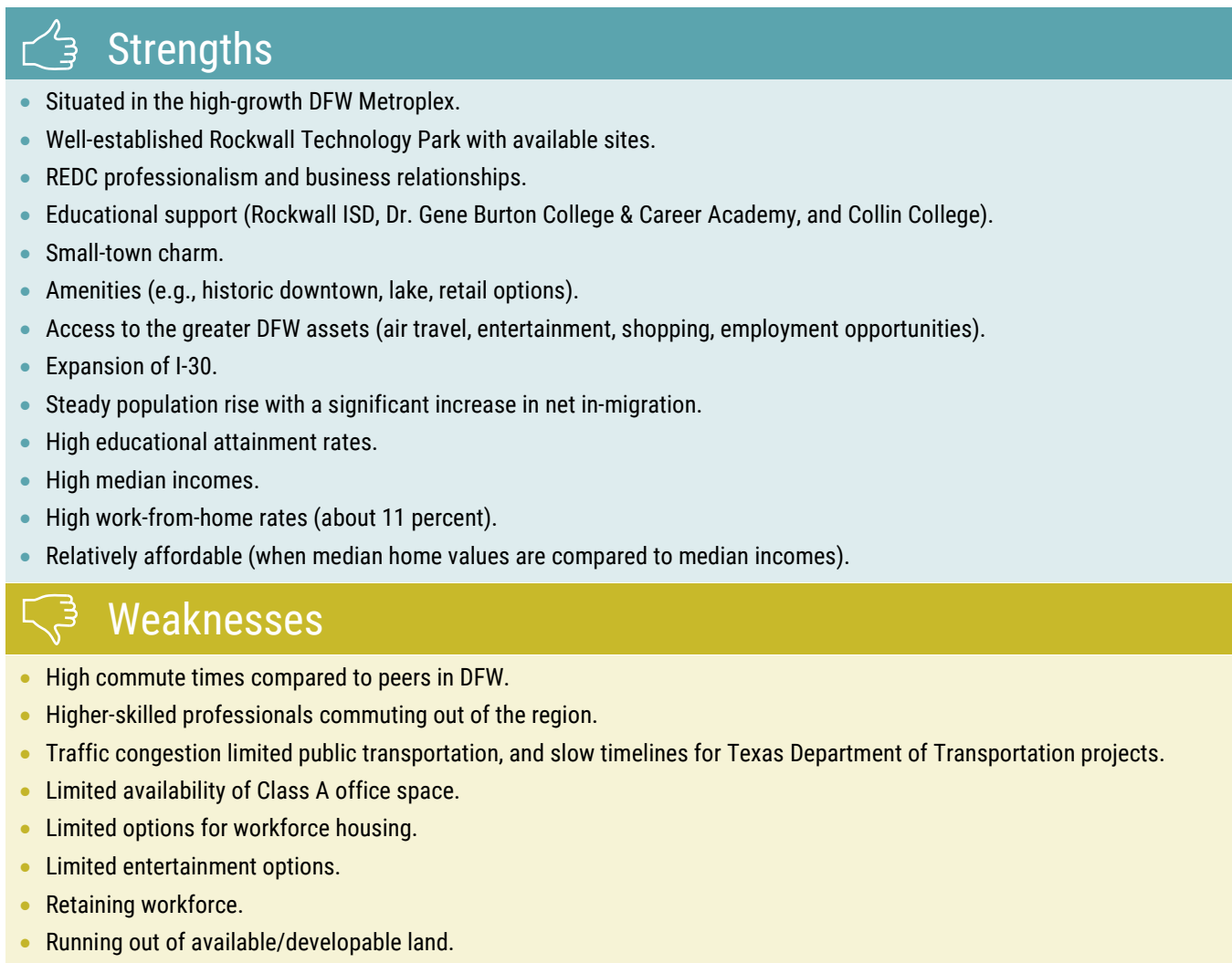
SWOT ANALYSIS

During the discovery phase of the project, the consulting team gathered qualitative input from stakeholders in Rockwall and the DFW Metroplex concerning local economic development issues. In addition, TIP conducted quantitative data analyses to understand Rockwall's competitive position in the region. The results of these efforts informed the following strengths, weaknesses, opportunities, and threats (SWOT) analysis.

The four components of a SWOT analysis can be defined as follows.

- **Strengths:** Assets and resources that can be built on to grow, strengthen, and diversify the local/regional economy.
- **Weaknesses:** Liabilities and barriers to economic development that could limit economic growth potential.
- **Opportunities:** Competitive advantages and positive trends that hold significant potential for the attraction of new businesses, investments, and skilled workers.
- **Threats:** Unfavorable factors and trends (often external) that could negatively affect the local/regional economy.

FIGURE 20. ROCKWALL SWOT ANALYSIS



Continued next page.

FIGURE 20. ROCKWALL SWOT ANALYSIS—CONTINUED



Opportunities

- Plan for future industrial land expansion.
- Take advantage of the current and projected industrial expansion in the US and the DFW region.
- Enhance REDC and City collaboration to support area employers.
- Develop Class A office space to attract professional services.
- Closer ties with local manufacturers.
- Attract destination retail and high-end mixed-use developments.
- Enhance the marketing of Rockwall's amenities and offerings.
- Support midrange housing development to benefit area employers.
- Increase workforce development efforts (such as aligning efforts among area employers and schools).
- Expand attraction efforts in target industries (defense contractors, food processing, manufacturing, and professional services).



Threats

- Increased traffic congestion as the region continues to grow.
- Continued challenges with talent recruitment and retention.
- Continued supply chain disruptions.
- Land constraints.
- Infrastructure funding.
- Recession.
- Economic disruptions due to pandemic resurgence.

Source(s): Tip Strategies, Inc.